



MICHIGAN  
HOUSE OF REPRESENTATIVES  
P.O. Box 30014  
LANSING, MICHIGAN 48909-7514

MINUTES OF THE COMMITTEE  
ON  
FINANCIAL SERVICES

Wednesday, April 11, 2018

10:30 a.m.

Room 307 House Office Building

The House Standing Committee on Financial Services was called to order by the Chair.

Chairwoman Farrington requested attendance be called to establish a quorum of the appointed committee members:

Members present: Reps. Farrington, Graves, McCready, Lilly, VanderWall, Gay-Dagnogo, Zemke, Clemente and Green.

Members absent/excused: None

Representative McCready moved to adopt the January 31<sup>st</sup>, 2018, minutes. There being no objection, the motion prevailed by unanimous consent.

There being no objection, the motion was approved by unanimous consent.

The Chair laid the committee at ease at 10:38 a.m.

The Chair reconvened the committee at 10:54 a.m.

The Chair laid House Bill No. 5181 before the committee:

HB 5181 (Farrington) Vehicles; abandoned; recovery procedures for abandoned vehicles; modify.

Representative Farrington discussed the proposed substitute before the committee.

Representative McCready moved to adopt substitute **(H-1)** for **House Bill No. 5181**. The motion prevailed **9-0-0**.

**FAVORABLE ROLL CALL**

**Yeas: Reps. Farrington, Graves, McCready, Lilly, VanderWall, Gay-Dagnogo, Zemke, Clemente and Green.**

**Nays: None.**

**Pass: None.**

Representative McCready offered the following amendment to House Bill No. 5181 (H-1):

1. Amend page 17, following line 2, by inserting:

**"(4) A HEARING UNDER THIS SECTION SHALL BE CONDUCTED BY A DISTRICT COURT MAGISTRATE, IF A DISTRICT COURT MAGISTRATE HAS BEEN APPOINTED BY THE COURT. THE**

**APPEAL OF A DISTRICT COURT MAGISTRATE'S DECISION UNDER THIS SECTION SHALL BE HEARD BY A JUDGE OF THE DISTRICT COURT."**

Representative McCready discussed the proposed amendment before the committee.

Representative McCready moved to amend **House Bill No. 5181 (H-1)**. The motion prevailed **9-0-0**.

**FAVORABLE ROLL CALL**

**Yeas: Reps. Farrington, Graves, McCready, Lilly, VanderWall, Gay-Dagnogo, Zemke, Clemente and Green.**

**Nays: None.**

**Pass: None.**

Representative Green offered the following amendment to House Bill No. 5181 (H-1):

1. Amend page 16, line 22, after "CUSTODIAN." by striking out the balance of the subparagraph.

Representative Green discussed the proposed amendment before the committee.

Representative Green moved to amend **House Bill No. 5181 (H-1)**. The motion prevailed **9-0-0**.

**FAVORABLE ROLL CALL**

**Yeas: Reps. Farrington, Graves, McCready, Lilly, VanderWall, Gay-Dagnogo, Zemke, Clemente and Green.**

**Nays: None.**

**Pass: None.**

Representative Clemente offered the following amendments to House Bill No. 5181 (H-1):

1. Amend page 14, line 4, after "**252A(5)(B)**" by inserting "**or 252A(12)**".
2. Amend page 14, line 12, after "**252A(5)(B)**" by inserting "**or 252A(12)**".
3. Amend page 14, line 19, after "**252A(5)(B)**" by inserting "**or 252A(12)**".
4. Amend page 14, line 25, after "**252A(5)(B)**" by inserting "**or 252A(12)**".
5. Amend page 16, line 13, after "**252A(5)(B)**" by inserting "**or 252A(12)**".
6. Amend page 16, line 19, after "**252A(5)(B)**" by inserting "**or 252A(12)**".

Representative Clemente discussed the proposed amendments before the committee.

Representative Clemente moved to amend **House Bill No. 5181 (H-1)**. The motion prevailed **9-0-0**.

**FAVORABLE ROLL CALL**

**Yeas: Reps. Farrington, Graves, McCready, Lilly, VanderWall, Gay-Dagnogo, Zemke, Clemente and Green.**

**Nays: None.**

**Pass: None.**

Representative Gay-Dagnogo offered the following amendments to House Bill No. 5181 (H-1):

1. Amend page 4, following line 1, by inserting:  
"(IV) **THE DATE THE VEHICLE IS BEING ENTERED INTO THE LAW ENFORCEMENT INFORMATION NETWORK AND WHETHER THE INFORMATION IS BEING ENTERED WITHIN 24 HOURS AFTER THE VEHICLE WAS TAKEN INTO CUSTODY.**" and renumbering the remaining subparagraphs.
2. Amend page 7, line 23, after "removed." by striking out "The" and inserting "**WITHIN 24 HOURS AFTER RECEIPT OF THE NOTICE FROM THE TOWING AGENCY, THE**".
3. Amend page 8, following line 11, by inserting:  
"**(D) THE DATE THE VEHICLE IS BEING ENTERED INTO THE LAW ENFORCEMENT INFORMATION NETWORK AND WHETHER THE INFORMATION IS BEING ENTERED WITHIN 24 HOURS AFTER THE VEHICLE WAS TAKEN INTO CUSTODY.**" and relettering the remaining subdivisions.

Representative Gay-Dagnogo discussed the proposed amendments before the committee.

Representative Zemke moved to amend **House Bill No. 5181 (H-1)**. The motion prevailed **9-0-0**.

#### **FAVORABLE ROLL CALL**

**Yeas: Reps. Farrington, Graves, McCready, Lilly, VanderWall, Gay-Dagnogo, Zemke, Clemente and Green.**

**Nays: None.**

**Pass: None.**

Representative Gay-Dagnogo offered the following amendments to House Bill No. 5181 (H-1):

1. Amend page 7, line 19, after "(11)" by striking out "**NO LATER THAN 48 HOURS AFTER**" and inserting "Before".
2. Amend page 7, line 22, after the second "vehicle" by striking out "**HAS BEEN**" and inserting "is being".

Representative Gay-Dagnogo discussed the proposed amendments before the committee.

Representative Clemente moved to amend **House Bill No. 5181 (H-1)**. The motion prevailed **9-0-0**.

#### **FAVORABLE ROLL CALL**

**Yeas: Reps. Farrington, Graves, McCready, Lilly, VanderWall, Gay-Dagnogo, Zemke, Clemente and Green.**

**Nays: None.**

**Pass: None.**

Representative Farrington offered the following amendment to House Bill No. 5181 (H-1):

1. Amend page 2, line 1, by striking out “**\$150.00**” and inserting “**\$50.00**”.

Representative Farrington discussed the proposed amendment before the committee.

Representative Zemke moved to amend **House Bill No. 5181 (H-1)**. The motion prevailed **9-0-0**.

#### **FAVORABLE ROLL CALL**

**Yeas: Reps. Farrington, Graves, McCready, Lilly, VanderWall, Gay-Dagnogo, Zemke, Clemente and Green.**

**Nays: None.**

**Pass: None.**

The Chair laid the committee at ease at 11:05 a.m.

The Chair reconvened the committee at 11:09 a.m.

Bill Giorgios, Lori Brewer, and Joel Ballor, representing the Michigan Towing Association, testified in opposition to the bill. Questions and discussion followed.

Jordan Kingdon and Haleigh Krombeen, representing the Michigan Credit Union League, testified in support of the bill.

Patty Campbell, representing the Christian Financial Credit Union, testified in support of the bill. Questions and discussion followed.

Mike Loucks, representing the Lansing Automakers Federal Credit Union, testified in support of the bill.

The following individuals submitted a card in support of the bill, but did not wish to speak:

Martin Carter, representing Astera Credit Union.

Adam Johnson, representing the Safe Harbor Credit Union.

Dean Trudew, representing the Public Service Credit Union.

Zachary W. Fallstich, representing Advia Credit Union.

Sam Frangie, representing the Lansing Automakers Federal Credit Union.

Kimberly Austin, representing the Lansing Automakers Federal Credit Union.

Lindsay Walters, representing the Lansing Automakers Federal Credit Union.

Ryan Liaison, representing the Lansing Automakers Federal Credit Union.

Patricia Herndon, representing the Michigan Bankers Associations.

Tom Kuslikis, representing the University of Michigan Credit Union.

Michelle McAuley, representing the Security Credit Union.

The following individuals submitted a card in opposition to the bill, but did not wish to speak:

Charles Owen, representing the National Federation of Independent Business.

Megan Noland, representing the Office of Oakland County Sheriff.

The Chair laid the committee at ease at 11:58 a.m.

The Chair reconvened the committee at 4:19 p.m.

Representative Gay-Dagnogo moved to adopt substitute (H-2) for **House Bill No. 5181**. The motion prevailed **9-0-0**.

**FAVORABLE ROLL CALL**

**Yeas: Reps. Farrington, Graves, McCready, Lilly, VanderWall, Gay-Dagnogo, Zemke, Clemente and Green.**

**Nays: None.**

**Pass: None.**

The Chair laid the committee at ease at 4:20 p.m.

The Chair reconvened the committee at 4:30 p.m.

Representative Zemke offered the following amendment to House Bill No. 5181 (H-2):

1. Amend page 12, following line 12, after the second “**VEHICLE**” by striking out the balance of the sentence through “**\$50.00**” on line 13.

Representative Zemke discussed the proposed amendment before the committee.

Representative Zemke moved to amend House Bill No. 5181 (H-2). The motion prevailed **9-0-0**.

**FAVORABLE ROLL CALL**

**Yeas: Reps. Farrington, Graves, McCready, Lilly, VanderWall, Gay-Dagnogo, Zemke, Clemente and Green.**

**Nays: None.**

**Pass: None.**

The Chair laid the committee at ease at 4:31 p.m.

The Chair reconvened the committee at 4:40 p.m.

Representative Green offered the following amendment to House Bill No. 5181 (H-2):

1. Amend page 14, line 27, after “**COURT,**” by striking out the balance of the subparagraph and inserting “**THAT THE POLICE AGENCY SHALL PAY DIRECTLY TO THE OWNER OR SECURED PARTY THE AMOUNT OF THE STORAGE CHARGES ACCRUED BEFORE THE POLICE AGENCY ENTERED THE VEHICLE INTO THE LAW ENFORCEMENT INFORMATION NETWORK AS REQUIRED BY SECTION 252A(5)(B) OR 252A(12) PLUS INTEREST NO LATER THAN 10 DAYS AFTER THE DATE OF THE ORDER. THE COURT SHALL RELEASE THE BOND POSTED BY THE OWNER OR SECURED PARTY IN FULL TO THE CUSTODIAN AFTER THE COURT HAS RECEIVED NOTICE FROM THE POLICE AGENCY THAT THE POLICE AGENCY HAS ISSUED THE PAYMENT REQUIRED BY THIS SUBPARAGRAPH TO THE OWNER OR SECURED PARTY.**”.

Representative Green discussed the proposed amendment before the committee.

Representative Green moved to amend **House Bill No. 5181 (H-2)**. The motion prevailed **9-0-0**.

**FAVORABLE ROLL CALL**

**Yeas: Reps. Farrington, Graves, McCready, Lilly, VanderWall, Gay-Dagnogo, Zemke, Clemente and Green.**

**Nays: None.**

**Pass: None.**

Representative VanderWall moved to report **House Bill No. 5181** with recommendation, as amended, as substitute **(H-3)**. The motion prevailed **9-0-0**.

**FAVORABLE ROLL CALL**

**Yeas: Reps. Farrington, Graves, McCready, Lilly, VanderWall, Gay-Dagnogo, Zemke, Clemente and Green.**

**Nays: None.**

**Pass: None.**

There being no further business before the committee, the Chair adjourned the meeting at 4:42 p.m.

**Representative Diana Farrington, Chair**\_\_\_\_\_

Sondra Gordon, Committee Clerk  
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